

	<p style="text-align: center;"><b>CITY OF COLLEGE PARK, MARYLAND REGULAR MEETING AGENDA ITEM</b></p> <p style="text-align: right;"><b>AGENDA ITEM <u>22-O-03</u></b></p> <p><b>Prepared By:</b> Suellen M. Ferguson City Attorney</p> <p><b>Meeting Date:</b> 2/22/2022</p> <p><b>Presented By:</b> Kenny Young City Manager; Suellen M. Ferguson City Attorney</p> <p><b>Proposed consent:</b> No</p>
<p><b>Originating Department:</b> Administration</p>	
<p><b>Action Requested:</b> Amendment to the City Code §175-10, to allow for greater flexibility with respect to the duration and amount of a revitalization tax credit when Prince George's County authorizes a payment in lieu of taxes for a property under §7-506.1 of the Taxation-Property Article, Annotated Code of Maryland.</p>	
<p><b>Strategic Plan Objective:</b> Objective 8: Foster and sustain an affordable and stable City for individuals and families to live, work, play and retire here.</p>	
<p><b>Background / Justification:</b> The Mayor and Council adopted Article IV, Revitalization Tax Credit, of Chapter 175, "Taxation", to establish revitalization districts and to set the criteria for an application for a tax credit against City real property taxes in those districts. In 2018, the City expanded the available tax credits, adopting a Level One and Level Two tax credit. The Level Two tax credit may be granted for up to 15 years and 60% of tax for a project that fulfills the Level One requirements, and also has been granted a PILOT agreement with Prince George's County pursuant to § 7-516 of the Tax-Property Article, Annotated Code of Maryland. Prince George's County is also allowed to grant a PILOT under §7-506.1 of the Tax-Property Article for properties that provide rental housing for lower income persons. The proposed amendment to §175-10 would allow developers who wish to provide housing for lower income persons to also apply for a City Level Two tax credit. This would encourage the construction of this type of housing, which is a strategic plan objective.</p>	
<p><b>Fiscal Impact:</b> An up to 60% tax credit for up to 15 years can be granted to a Level Two eligible project. The fiscal impact depends upon the value of the project, the length of time for which the credit is granted, and the percentage approved.</p>	
<p><b>Council Options:</b></p> <ol style="list-style-type: none"> <li>1. Introduce Ordinance 22-O-03 and schedule a public hearing for March 8.</li> <li>2. Introduce an amended ordinance and schedule the public hearing for March 8.</li> <li>3. Decline to introduce 22-O-03</li> </ol>	
<p><b>Staff Recommendation:</b> #1</p>	
<p><b>Attachments:</b> Draft Ordinance 22-O-03</p>	